



Health Services
LOS ANGELES COUNTY

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Robert G. Splawn, M.D.
Interim Chief Medical Officer

May 15, 2009

TO: Wendy L. Watanabe
Auditor-Controller

FROM: John F. Schunhoff, Ph.D.
Interim Director

R. Splawn for

SUBJECT: **QUARTERLY REPORT OF UNCOLLECTIBLE
ACCOUNTS**

As directed by the Board on March 13, 2001, attached for your review is the Fiscal Year (FY) 2008-09 Third Quarter Outpatient Uncollectible Account Report for USCB, Inc. (USCB). The report only reflects outpatient accounts because inpatient accounts are currently referred to the Treasurer and Tax Collector (TTC) for additional collection efforts.

In comparison to the quarterly average for FY 2007-08, uncollectible accounts for the Third Quarter of FY 2008-09 decreased by approximately 61% or 25,686 accounts totaling \$17.1 million in gross charges. The decrease was due to USCB delaying the processing of accounts in order to implement a project to increase collections by allowing patients to make prepayments as an option to settle their accounts.

Also, it is important to note that these outpatients, through various facility and contractor efforts, have been financially screened to identify established third-party payers, ascertain potential eligibility for the Medi-Cal program, or offer low-cost or no-cost program coverage; i.e., Ability-to-Pay, Outpatient Reduced-Cost Simplified Application, etc. Additionally, USCB has sent a series of patient collection letters ("soft" and "hard") in an effort to assist the patients in satisfying their self-pay balances.

Effective March 1, 2009, the Department of Health Services (DHS) implemented a six (6) month pilot project to further pursue collections by referring delinquent outpatient accounts, after DHS and USCB's efforts, to TTC for additional collection efforts by TTC's outside collection agency. As a result, DHS will temporarily suspend submission of the quarterly report of uncollectible accounts to the Auditor-Controller pending the results of the pilot.

If you have questions or require additional information, please let me know.

JFS:lg
103:013/S (VINCENT\QUARTERLY UNCOLLECTIBLE\FY08-09_Q3CASUNCOLACTS.doc)

Attachment

c: Chief Executive Officer
County Counsel
Executive Officer, Board of Supervisors

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COUNTY OF LOS ANGELES - DEPARTMENT OF HEALTH SERVICES

OUTPATIENT UNCOLLECTIBLE ACCOUNTS

FISCAL YEAR 2008-2009

MARCH 2009

Hospital	FY 2008-09 (7/1/08 - 3/31/09) Quarterly Average		FY 2007-08 Quarterly Average		FY 2007-08 Vs. FY 2008-09 Quarterly Average Difference	
	Number of Accounts	Account Balance	Number of Accounts	Account Balance	Number of Accounts	Account Balance
LAC + USC MC	6,140	\$5,183,496	11,968	\$10,075,659	-5,828	-\$4,892,163
H/UCLA MC	1,589	\$1,126,711	8,151	\$5,545,627	-6,562	-\$4,418,916
RLANRC	67	\$29,015	180	\$72,085	-113	-\$43,070
OV/UCLA MC	1,168	\$1,031,083	3,957	\$3,706,943	-2,789	-\$2,675,860
TOTAL HOSPITAL	8,964	7,370,305	24,256	19,400,314	-15,292	-12,030,009
MACC						
MLK-MACC ⁽¹⁾	605	\$525,365	4,298	\$3,387,104	-3,693	-\$2,861,739
HDHS-MACC ⁽²⁾	59	\$29,235	878	\$411,875	-819	-\$382,640
TOTAL MACC	664	\$554,600	5,176	\$3,798,979	-4,512	-\$3,244,379
CHC/HC						
LAC + USC	1,732	\$573,377	3,827	\$1,240,833	-2,095	-\$667,456
COASTAL	2,089	\$563,800	3,844	\$1,043,022	-1,755	-\$479,222
SOUTHWEST	2,677	\$764,705	4,106	\$1,169,498	-1,429	-\$404,793
VALLEY CARE NETWORK ⁽³⁾	475	\$194,360	1,078	\$472,728	-603	-\$278,368
TOTAL CHC/HC	6,973	\$2,096,242	12,855	\$3,926,081	-5,882	-\$1,829,839
GRAND TOTAL	16,601	\$10,021,147	42,287	\$27,125,374	-25,686	-\$17,104,227

Note: (1) Effective August 2007, Martin Luther King Jr.-Harbor Hospital was converted from an acute care hospital to a Multi-Service Ambulatory Care Center (MACC) to deliver primary care services.

(2) Effective May 2003, High Desert Hospital was converted from an acute care hospital to a MACC to deliver primary care services.

(3) Valley Care Network includes San Fernando and Antelope Valley.

Source: Monthly USCB Closed and Returned Accounts Report - Code 30 REL accounts only.